

MEMORANDUM

Date: October 29, 2001

To: Nick Zilka, IDEQ Project Officer
cc: Mary Kay Voytilla, EPA Region X

From: Ian von Lindern, TerraGraphics

Subject: ROD Amendment, Non-Populated Areas – Bunker Hill Mine Water

It would be advantageous in Section 7 to add language describing (and summary costs) the amount the governments have already invested in AMD treatment and modifications to the NBHMC operations. The point still seems to be missed that this is, and has been for some time, a substantial investment on the governments' part in the continued viability of this operation. The preferred alternative is to make substantial improvements in the operation through upper country diversions and to build a state-of-the-art treatment facility to handle the NBHMC discharge. It could also be expanded to accommodate other treatment needs that may develop in the future. The State and EPA are participating in this venture, not with any inclination to take-over this mine, but with every hope that the NBHMC will become economically viable and take over the treatment plant operation, saving state taxpayers \$1M/yr. The preferred alternative should be viewed as a substantial investment in the future of mining operations providing a \$30M treatment plant to support the mine and ancillary facilities, should mining and milling economics turn around.

The alternative also takes advantage of the monies that have already been spent on improvements and O&M in the past ten years including upper Milo diversions, new mine water line, lined pond, CTP O&M, Reed Landing modifications, and substantial drainage stabilization and acid resistant diversion structures and piping in the Milo Creek project. All told these amount to \$20M in expenditures already invested in keeping the AMD out of the river and the mine potentially operational. This strategy should be clearly presented, and the costs already absorbed by the governments should be memorialized with an explanation of how those expenditures have been positively integrated into the selected alternative in the ROD Amendment.

